

## **SPEEA says latest 787 slide shows failure of Boeing's global supply plan**



**SEATTLE** – As The Boeing Company today issued another six-month delay for the 787 Dreamliner, the union representing engineers and technical workers called on the aerospace giant's Chicago-based leaders to correct its flawed reliance on global partners and bring the work back while the company still has the in-house experience to do it right.

Relying on a network that brings wings from Japan, fuselage sections from Italy, rudders from China and thousands of other parts from around the globe is a failure, according to the Society of Professional Engineering Employees in Aerospace (SPEEA), IFPTE Local 2001.

“Boeing outsourced everything it could to lower costs and it's hurting this program and the company,” said Ray Goforth, executive director of SPEEA. “Employees are performing heroic efforts to get the 787 back on track and they are getting no help from corporate leaders in Chicago who consistently ignored the truth coming from employees in engineering offices and factory floor.”

The technical workers' union predicted the failure in 2002 in a report prepared by SPEEA Researcher Stan Sorscher, Ph.D. The 12-page document “*Challenge in Aerospace Leadership*” describes how Boeing's emphasis on “large-scale systems integration” would fail because it put more value on snapping a plane together than on the expertise needed to design, engineer and manufacture a highly complex aircraft. Visit the SPEEA website at [www.speea.org](http://www.speea.org) to download the report.

While the 787 is the latest and most prominent failure of the Boeing business model, it is not the first. The 767 tanker, Joint Strike Fighter, Future Combat Systems and the Wedgetall were all heavily outsourced programs that are now major disappointments for Boeing.

“We have to go back to the 777 to find a program that met or exceeded customers' expectations,” Sorscher said. “The challenge going forward is formidable for Boeing. In the next 10 years a large number of engineers and technical workers will be eligible to retire.”

Now more than 18 months behind schedule, Boeing must rely on its own experienced workforce to rescue the 787. That's a workforce that is fast approaching retirement. The average age of a Boeing engineer is now 46 and technical workers average age is 49 years. Bringing the work back today taps into that experience and will serve as a training ground for the next generation of aerospace workers.

“The time to pull this work back is today,” said Goforth. “Sending engineers around the world to help suppliers simply transfers all the aerospace knowledge to other companies in other countries. Today, Boeing still has that knowledge. But if the company doesn't correct the error of their business model, the core knowledge will soon be gone and we won't be able to get it back.”

In October, SPEEA begins main table negotiations with Boeing for 21,000 employees in Washington, Kansas, Oregon, Utah and California. Negotiations begin in May for 3,000 represented employees at Spirit AeroSystems, Inc. in Wichita, Kansas.

A local of the International Federation of Professional and Technical Engineers (IFPTE), SPEEA represents more than 24,000 aerospace professionals at Boeing, Spirit, Triumph Composite Systems, Inc., in Spokane, Wash., and at BAE Systems, Inc., in Irving, Texas.

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